

The following has special meaning:
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2020 MS H 1791

Author: Currie
Version: Enacted
Version Date: 07/09/2020

MISSISSIPPI LEGISLATURE

2020 Regular Session

To: Rules

By: Representatives Currie, Eure, McKnight, Calvert, Faulkner, Gibbs (72nd), Foster, McCray, Paden

House Bill 1791

(As Sent to Governor)

AN ACT TO DIRECT THE STATE FISCAL OFFICER TO MAKE TRANSFERS OF FUNDS OUT OF THE BUDGET CONTINGENCY FUND TO CERTAIN SPECIAL FUNDS CREATED BY THIS ACT; TO CREATE THE "MISSISSIPPI TOURISM RECOVERY FUND" AS A SPECIAL FUND IN THE STATE TREASURY TO BE ADMINISTERED BY THE DEPARTMENT OF FINANCE AND ADMINISTRATION FOR THE PURPOSE OF PROVIDING FUNDS TO DESTINATION MARKETING ORGANIZATIONS TO ASSIST IN PAYING COSTS OF CERTAIN MARKETING ACTIVITIES; TO DEFINE THE TERMS "DESTINATION MARKETING ORGANIZATIONS" AND "MARKETING ACTIVITIES" FOR THE PURPOSES OF THIS ACT; TO PROVIDE FOR THE MANNER IN WHICH THE DEPARTMENT OF FINANCE AND ADMINISTRATION SHALL DISTRIBUTE FUNDS TO DESTINATION MARKETING ORGANIZATIONS UNDER THIS ACT; TO TRANSFER UNEXPENDED MONIES IN THE FUND AS OF DECEMBER 1, 2020, TO THE UNEMPLOYMENT COMPENSATION FUND; TO CREATE THE "MISSISSIPPI NONPROFIT MUSEUMS RECOVERY FUND" AS A SPECIAL FUND IN THE STATE TREASURY TO BE ADMINISTERED BY THE DEPARTMENT OF FINANCE AND ADMINISTRATION FOR THE PURPOSE OF PROVIDING FUNDS TO NONPROFIT MUSEUMS TO ASSIST IN PAYING COSTS ASSOCIATED WITH CLEANING, DISINFECTION, SOCIAL DISTANCING MEASURES AND OTHER HEALTH AND SAFETY MEASURES NECESSARY IN ORDER TO REOPEN TO THE PUBLIC DUE TO THE CORONAVIRUS 2019; TO TRANSFER UNEXPENDED MONIES IN THE FUND AS OF DECEMBER 1, 2020, TO THE UNEMPLOYMENT COMPENSATION FUND; TO AMEND SECTION 57-1-64.1, MISSISSIPPI CODE OF 1972, TO REVISE THE MEMBERSHIP OF THE MISSISSIPPI TOURISM ASSOCIATION MARKETING ADVISORY BOARD; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. The COVID-19 public health emergency has had a significant negative impact on Mississippi's tourism industry and its nonprofit museums. The funds provided in this act are necessary expenditures related to COVID-19, the purpose of which is to publicize the resumption of tourism activities and steps taken to ensure a safe tourism experience and to assist nonprofit museums with costs associated with cleaning, disinfection, social distancing measures and/or other health and safety measures necessary for such museums to reopen to the public.

SECTION 2. (1) Upon the effective date of this act, the State Fiscal Officer shall transfer the sum of Fourteen Million Dollars (\$14,000,000.00) from the Budget Contingency Fund to the Mississippi Tourism Recovery Fund created by Section 3 of this act.

(2) Upon the effective date of this act, the State Fiscal Officer shall transfer the sum of One Million Dollars (\$1,000,000.00) from the Budget Contingency Fund to the Mississippi Nonprofit Museums Recovery Fund created by Section 4 of this act.

SECTION 3. (1) As used in this section, the following words and phrases shall have the meanings ascribed in this section unless the context clearly indicates otherwise:

(a) "Destination marketing organization" means special local governmental units created by local and private laws of the State of Mississippi for the purpose of tourism promotion, funded by special local tax levies, and staffed with professionals engaged in out-of-state tourism marketing and tourism product development for municipalities, counties and/or regions.

(b) "Marketing activities" means multimedia marketing and advertising, including digital media, broadcast media and printed media, including travel publications, production, travel market sector analysis, consumer travel sentiment, public relations, communication

strategy, direct sales bookings, group tour bookings, tourism development and administrative costs to execute marketing activities related to the business disruption effects of the Coronavirus Disease 2019 as expressed in Section 1 of this act.

(2) (a) There is hereby created in the State Treasury a special fund to be designated as the "Mississippi Tourism Recovery Fund," which shall consist of funds made available by the Legislature in any manner and funds from any other source designated for deposit into such fund. The fund shall be maintained by the State Treasurer as a separate and special fund, separate and apart from the General Fund of the state. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any investment earnings or interest earned on amounts in the fund shall be deposited to the credit of the fund. Monies in the fund shall be used by the Department of Finance and Administration, upon appropriation by the Legislature, for the purposes provided in this section. Monies in the fund shall be disbursed in compliance with the guidelines, guidance, rules, regulations and/or other criteria, as may be amended from time to time, of the United States Department of the Treasury regarding the use of monies from the Coronavirus Relief Fund established by the Coronavirus Aid, Relief, and Economic Security Act. If on December 1, 2020, there are unexpended monies in the fund, those monies shall be transferred to the Unemployment Compensation Fund. Monies in the fund shall be disbursed by the Department of Finance and Administration as follows:

(i) Two Hundred Fifty Thousand Dollars (\$250,000.00) shall be disbursed to the Tate County Economic Development Foundation for use by the foundation to assist the Senatobia Chamber of Commerce Main Street program in paying the costs of marketing activities;

(ii) Two Hundred Fifty Thousand Dollars (\$250,000.00) shall be disbursed to the Brookhaven Tourism Council to assist in paying the costs of marketing activities; and

(iii) Thirteen Million Five Hundred Thousand Dollars (\$13,500,000.00) shall be disbursed as provided in paragraph (b) of this subsection (2) to assist destination marketing organizations in paying costs for marketing activities.

(b) (i) The Department of Finance and Administration shall determine, in conjunction with the destination marketing organizations, the allocations of monies provided under paragraph (a)(iii) of this subsection (2) as follows:

1. Not more than Nine Million Seven Hundred Forty-four Thousand Seven Hundred Eighty-eight Dollars (\$9,744,788.00) of such monies shall be allocated to destination marketing organizations in a manner that will provide monies to a destination marketing organization in an amount equal to seventy-five percent (75%) of the destination marketing organization's marketing and advertising expenditures during the 2019 fiscal year, and

2. Not more than Three Million Seven Hundred Fifty-five Thousand Two Hundred Thirteen Dollars (\$3,755,213.00) of such monies shall be allocated to destination marketing organizations based on the proportion that a destination marketing organization's contribution toward total tourism visitors in the state according to the 2019 Fiscal Year Visit Mississippi Visitors Profile Report bears to all destination marketing organizations' contributions toward total tourism visitors in the state according to the 2019 Fiscal Year Visit Mississippi Visitors Profile Report. However, a destination marketing organization shall not receive an amount less than Seventy-five Thousand Dollars (\$75,000.00) under this item 2.

(ii) Within fifteen (15) days of enactment, the Department of Finance and Administration shall distribute the funds allocated under paragraph (b)(i) to eligible destination marketing organizations. Before receiving funds under this paragraph (b), a destination marketing organization must certify to the Department of Finance and Administration that:

1. The funds will only be used for marketing activities, and

2. The funds will be expended before December 30, 2020, unless otherwise authorized by federal law or guidance.

(iii) Destination marketing organizations receiving funds under this paragraph (b) shall keep and maintain records related to expenditures. Destination marketing organizations receiving funds under this paragraph (b) shall also track impacts of their marketing activities through special levy tax receipts, hotel occupancy indicators, other tourism industry metrics, and analytics from marketing campaigns, as appropriate. Such destination marketing organizations shall provide quarterly reports on expenditures and economic impacts of their marketing activities to the Department of Finance and Administration, the Governor, the Lieutenant Governor, the Speaker of the House of Representatives and the Department of Audit.

(iv) Subject to applicable purchasing laws, destination marketing organizations will give preference, when available and practical, to Mississippi-based companies for any new contracts entered into for marketing activities.

(3) The Department of Finance and Administration and the Department of Audit shall have all powers necessary for the implementation of this section.

(4) If the Office of Inspector General of the United States Department of the Treasury, or the Office of Inspector General of any other federal agency having oversight over the use of monies from the Coronavirus Relief Fund established by the CARES Act (a) determines that the Department of Finance and Administration or recipient has expended or otherwise used any of the funds appropriated to the Department of Finance and Administration under this act for any purpose that is not in compliance with the guidelines, guidance, rules, regulations and/or other criteria, as may be amended from time to time, by the United States Department of the Treasury regarding the use of monies from the Coronavirus Relief Fund established by the CARES Act, and (b) the State of Mississippi is required to repay the federal government for any of those funds that the Office of the Inspector General determined were expended or otherwise used improperly by the Department of Finance and Administration or recipient, then the Department of Finance and Administration or recipient, as the case may be, that expended or otherwise used those funds improperly shall be required to pay the amount of those funds to the State of Mississippi for repayment to the federal government.

SECTION 4. (1) There is hereby created in the State Treasury a special fund to be designated as the "Mississippi Nonprofit Museums Recovery Fund," which shall consist of funds made available by the Legislature in any manner and funds from any other

source designated for deposit into such fund. The fund shall be maintained by the State Treasurer as a separate and special fund, separate and apart from the General Fund of the state. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any investment earnings or interest earned on amounts in the fund shall be deposited to the credit of the fund. Monies in the fund shall be used by the Department of Finance and Administration, upon appropriation by the Legislature, for the purposes provided in this section. Monies in the fund shall be disbursed in compliance with the guidelines, guidance, rules, regulations and/or other criteria, as may be amended from time to time, by the United States Department of the Treasury regarding the use of monies from the Coronavirus Relief Fund established by the Coronavirus Aid, Relief, and Economic Security Act. If on December 1, 2020, there are unexpended monies in the fund, those monies shall be transferred to the Unemployment Compensation Fund. Monies in the fund shall be disbursed by the Department of Finance and Administration to assist nonprofit museums in paying costs associated with cleaning, disinfection, social distancing measures and/or other health and safety measures necessary in order to reopen to the public due to the Coronavirus 2019. The Department of Finance and Administration shall take into consideration the attendance, annual revenue and operating expenses when allocating such monies under this section.

(2) The Department of Finance and Administration shall have all powers necessary for the implementation of this section.

SECTION 5. Section 57-1-64.1, Mississippi Code of 1972, is amended as follows:

57-1-64.1. (1) There is hereby created a Mississippi Tourism Association Marketing Advisory Board to assist the Mississippi Development Authority in the planning of initiatives for advertising and promoting tourism in Mississippi.

(2) The advisory board shall be composed of the following members:

(a) The Executive Director of the Mississippi Tourism Association; * * *

(b) The members of the Mississippi Tourism Association Board of Directors, composed through the bylaws of the Mississippi Tourism Association as being geographically and ethnically diverse members from the five (5) tourism regions designated as the Hills, the Delta, the Capital/River, the Pines and the Coastal regions of Mississippi, and three (3) at-large members* * * ;

(c) Three (3) at-large members appointed by the Governor;

(d) One (1) at-large member appointed by the Lieutenant Governor; and

(e) One (1) at-large member appointed by the Speaker of the House of Representatives.

(3) Members of the advisory board may not be compensated for the performance of their duties.

(4) The advisory board will give input and advice to the Mississippi Development Authority's Tourism Division on marketing and advertising planning, but shall have no executive powers at the Mississippi Development Authority.

(5) For marketing activities paid for with federal funds related to the COVID-19 public health emergency and carried out by either the Mississippi Development Authority's Tourism Division or destination marketing organizations, the advisory board will give input on appropriate branding and messaging that communicates pertinent public health information. The advisory board shall convene for the purposes of this subsection within fifteen (15) calendar days of enactment.

SECTION 6. This act shall take effect and be in force from and after its passage.